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SANRIO COMPANY, LTD. and
SANRIO, INC.

ORIGINAL
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RICHARD W. WIEKING
CLERK U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES DISTRICT COURT

IN AND FOR THE NORTHERN DISTRICT OF CALIFORNIA

VRW

SANRIO COMPANY, LTD., a Japanese
corporation and SANRIO, INC., a
California corporation,

Plaintiff,

vs.

TORRI BUTLER TORRES, a North
Carolina state resident and POSH.LIFE, an
unincorporated entity, dba POSH-
LIFE.COM, POSHLIFEBEAUTY.COM,
and POSHLIFEBLING.COM, and DOES
1- 10,

Defendants.

Civil Action No.

C 07 5024

COMPLAINT FOR INJUNCTIVE RELIEF
AND DAMAGES FOR:

- (1) Federal Trademark Infringement and Counterfeiting;
- (2) Federal Copyright Infringement;
- (3) Federal Unfair Competition;
- (4) Unfair Competition Under Cal. Prof. Code § 17200 *et seq.*

Demand for Jury Trial

Plaintiffs, Sanrio Company, Ltd. And Sanrio, Inc. (collectively "Sanrio") for their
complaint against Defendants Torri Butler Torres and Posh.Life, dba Posh-Life.com,
Poshlifebeauty.com and Poshlifebling.com, and Does 1-10, alleges as follows:

NATURE OF THE ACTION

1. This is an action to redress violations of the federal trademark laws, 15 U.S.C. §1114, *et seq.*, federal copyright laws, 17 U.S.C. § 501, *et seq.*, federal laws of unfair competition, 15 U.S.C. §1125(a) *et seq.*, as amended, California state law of unfair competition, Cal. Bus. & Prof. Code § 17200 *et seq.*, and common law unfair competition, as the result of

1 willful and unauthorized use by Defendants of Sanrio's character names, trademarks and designs,
2 as more fully set forth hereinafter. Sanrio seeks injunctive relief restraining infringement by
3 Defendants of Sanrio's names, trademark, and designs, damages as the direct and proximate
4 result thereof, and related relief.

5 THE PARTIES

6 2. Plaintiff Sanrio Co., Ltd. is a corporation organized and existing under the laws of
7 the nation of Japan, with its principal place of business located at 1-6-1 Osaki, Shinagawa ku,
8 Tokyo 141-8603, Japan.

9 3. Plaintiff Sanrio, Inc. is a corporation organized and existing under the laws of the
10 State of California with its principal place of business located at 570 Eccles Avenue, South San
11 Francisco, California 94080. Sanrio, Inc. is a wholly owned subsidiary of Sanrio Co., Ltd.

12 4. Upon information and belief, Plaintiffs allege that Defendant Torri Butler Torres
13 is a North Carolina resident with a principal place of business at 402 Hickory Meadow Circle,
14 Morrisville, North Carolina 27560, and/or 3449 Singleleaf Lane, Raleigh, NC 27616.

15 5. Upon information and belief, Plaintiffs allege that Defendant Posh.Life is an
16 unincorporated entity with a principal place of business at 402 Hickory Meadow Circle,
17 Morrisville, North Carolina 27560, and/or 3449 Singleleaf Lane, Raleigh, NC 27616, and, until
18 at least June 2006, with a California address at 646 Beverly Drive, Beverly Hills, CA 90210.

19 6. Plaintiffs do not know the true names of the individuals, corporations,
20 partnerships or other entities sued and identified herein as Does 1 through 10. Plaintiffs allege
21 that said Defendants are liable to Plaintiffs under the claims for relief set forth below, and request
22 leave of this Court to amend this Complaint when the true names of said Defendants are
23 discovered.

24 JURISDICTION AND VENUE

25 7. This Court has subject matter jurisdiction over Plaintiff's claims under and
26 pursuant to 28 U.S.C. §§ 1331 and 1338. This court has supplemental jurisdiction over
27 Plaintiff's state law claims pursuant to 28 U.S.C. § 1367.

1 8. Venue in the Northern District of California is proper pursuant to 28 U.S.C. §
2 1391(b) and § 1391©).

3 **INTRADISTRICT ASSIGNMENT**

4 9. Assignment on a district-wide basis is appropriate under Civil Local Rule 3-2©)
5 because this is an Intellectual Property Action.

6 **ALLEGATIONS COMMON TO ALL COUNTS**

7 10. Since 1960, Sanrio Co., Ltd. has been engaged in the business of manufacturing,
8 distributing and selling products for use by children and young adults. All of Sanrio Co., Ltd.'s
9 products are marked with the SANRIO trade name and mark. Since 1976, Sanrio, Inc. has been
10 the exclusive United States distributor of the products of Sanrio Co., Ltd. and is currently the
11 exclusive United States master licensee of the rights in and to the SANRIO trademarks and
12 copyrights.

13 **Plaintiffs' HELLO KITTY Character**

14 11. Sanrio is the creator and owner of the famous HELLO KITTY character, as well
15 as other characters, as depicted in Exhibit 1.

16 12. Since 1976, most of Sanrio's merchandise marketed in the U.S. has displayed the
17 HELLO KITTY name and design on the products and product packaging.

18 Copyright Registrations

19 13. Sanrio Co., Ltd. owns over 30 U.S. Certificates of Copyright Registration for
20 artwork depicting the HELLO KITTY character, including the following Registration Nos.: VA
21 130-420, VA 1-303-874 and Vau 684-322 and VA 1-342-775 . Copies of these copyright
22 registrations, and relevant excerpts of deposit specimens thereto, comprise Exhibit 2.

23 Registered Trademarks

24 14. Sanrio owns several U.S. Trademark registrations, including incontestable U.S.
25 Trademark Registration Nos. 1,200,083 and 1,277,721 for the design trademark depicting the
26 head of the HELLO KITTY character (the "HELLO KITTY Design"). Copies of these trademark
27 registrations comprise Exhibit 3.

1 15. Sanrio owns incontestable U.S. Trademark Registration Nos. 1,215,436 and
2 1,279,486, among others, for the word mark HELLO KITTY (the "HELLO KITTY Name").
3 Copies of these trademark registrations comprise Exhibit 4.

4 16. Since as early as January 1, 1976, Plaintiffs have used the HELLO KITTY Name
5 and Design marks in the United States in connection with the products listed in the foregoing
6 registrations, including, *inter alia*, cosmetics, vanity cases containing cosmetics, colognes,
7 perfumes, jewelry, cosmetic cases sold empty, business card cases, hand mirrors, hair brushes,
8 calculators, cameras, telephones, and decorative seals and stickers.

9 Common Law Trademarks

10 17. Since as early as January 1, 1976, Plaintiffs have used, and thereby own common
11 law trademark rights in and to, the HELLO KITTY Name and Design marks in the U.S. in
12 connection with thousands of products and services for children and young adults, including,
13 *inter alia*, cell phone covers/ face plates; iPod cases; personal digital assistant ("PDA") covers/
14 face plates (e.g., sidekicks); compact mirrors; cosmetic cases; business card cases; cigarette
15 cases; cell phones; perfume/cologne bottles; cameras; computer mouses; baby shoes; baby
16 pacifiers; baby grooming sets; baby bottles; spoons; hair brushes; flip flops/sandals; key fobs;
17 baby nail clippers; car license plate covers, and customization crystal decoration services for such
18 goods. True and correct photocopies of photographs and digital scans of such genuine Sanrio
19 products comprise Exhibit 5.

20 18. Sanrio's HELLO KITTY Name and Design marks are inherently distinctive and,
21 in any event, have acquired distinctiveness through continuous and widespread use of the mark in
22 the U.S. and worldwide.

23 **Public Recognition of Plaintiffs' HELLO KITTY Character**

24 19. The success of Sanrio's entire business stems from the value to its customers,
25 primarily children and young people, of products featuring Sanrio's internationally popular
26 signature characters, including HELLO KITTY. Sales in the U.S. alone of Sanrio's HELLO
27 KITTY character merchandise, including wholesale and retail, exceeded \$400 million last year.
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20. Sanrio spends close to \$2 million annually in the U.S. to promote its character products. In addition, Sanrio's character products are often the subject of national media stories. Representative examples of such media coverage comprise Exhibit 6.

21. Genuine Sanrio HELLO KITTY products are sold in the U.S. at authorized Sanrio retailers, including Target and Nordstrom, licensed Sanrio boutiques, corporate theme stores, on-line and through mail order catalogs.

Defendant's Infringing Activities

22. In or around May 2006, Sanrio became aware that Defendants, through their Posh.Life websites, <www.posh-life.com>, <www.poshlifebeauty.com> and/or <www.poshlifebling.com> (the "Posh.Life websites"), as well as through some third-party sites, were displaying and offering for sale various counterfeit HELLO KITTY cell phone and PDA covers as well as offering customization services for cell phone and PDA decoration including various unauthorized HELLO KITTY designs. Copies of representative screen-shots from the Posh.Life websites from May 2006 comprise Exhibit 7. Defendants were not and are not authorized manufacturers, distributors, licensees or importers of Sanrio merchandise.

23. On or about June 7, 2006, Sanrio, through its counsel, sent Defendants a letter to the California and North Carolina addresses listed in the domain name registrations for the Posh.Life websites, informing them of their violation of Sanrio's copyright and trademark rights and demanding Defendants immediately cease and desist all creation, display, promotion and sale of their various unauthorized and/or counterfeit items.

24. On or about June 8, 2006, Sanrio, through its counsel, received an email response from Defendant Torri Torres on behalf of Defendant Posh.Life, acknowledging receipt of Sanrio's June 7, 2006 letter and indicating that pages featuring the HELLO KITTY items in question had been removed from the Posh.Life website and would not be put up again.

25. Also on or about June 7, 2006, Sanrio sent take-down notices under the Digital Millennium Copyright Act, 17 U.S.C. § 512(c), to two Internet service providers (ISP) which, to the best Sanrio could determine, were hosting the Posh.Life websites, including Yahoo!, which

1 was hosting the store functions on <www.poshlifebeauty.com>. Yahoo! responded on June 8,
2 2006, with a form email message stating that appropriate action would be taken. The other ISP
3 responded that it did not host the Posh.Life websites.

4 26. On or about June 21, 2006, Sanrio, through its counsel, became aware that despite
5 assurances to the contrary, Defendants continued to display and offer for sale the various
6 unauthorized and/or counterfeit HELLO KITTY cell phone and PDA covers and related
7 customization services through the Posh.Life website.

8 27. On or about June 21, 2006, Sanrio, through its counsel, sent an email to
9 Defendants requesting compliance, pursuant to Defendants' assurances of June 8, 2006, with
10 Sanrio's demands. On the same date, Sanrio sent a second DMCA take-down notice to Yahoo!.

11 28. On or about June 21, 2006, Sanrio, through its counsel, received an email
12 response from Defendant Torri Torres on behalf of Defendant Posh.Life, indicating that
13 Defendants no longer offered for sale infringing and/or counterfeit HELLO KITTY items, but
14 indicated Defendants had continued displaying images of such items on the Posh.Life websites
15 and expressed a desire to continue such display.

16 29. On or about June 22, 2006, Sanrio, through its counsel, informed Defendants that
17 continued unauthorized display of the infringing and/or counterfeit HELLO KITTY items
18 constituted a violation of Sanrio's rights and again demanded that such images be promptly
19 removed from the Posh.Life websites.

20 30. On or about June 22, 2006, Yahoo! responded to the second DMCA notice with
21 another form email message stating that appropriate action would be taken.

22 31. On or about July 21, 2006, Sanrio became aware that Defendants continued to
23 display and offer for sale the various unauthorized and counterfeit HELLO KITTY cell phone
24 and PDA covers and related customization services through the Posh.Life websites.

25 32. On or about July 24, 2006, Sanrio, through its counsel attempted to send another
26 cease and desist letter to Defendants at their California address. The July 24, 2006 letter was
27 returned with an indication that the California address was no longer valid for Defendants.
28

1 33. Sanrio continued to monitor the Posh.Life websites for approximately a month
2 and determined that Defendants continued and had seemingly expanded their infringing activities
3 to include not only cell phone and PDA covers but also customization services for an expanded
4 scope of items, including cosmetic cases, business card cases and hair brushes. Copies of
5 representative screen-shots from the Posh.Life website from August 2006 comprise Exhibit 8.
6 Therefore, on or about August 18, 2006, Sanrio, through its counsel, sent a follow-up letter to
7 Defendants at the email address through which Torri Torres had previously communicated,
8 informing Defendants that in light of prior correspondence, Defendants' continued display and
9 offering for sale of the unauthorized and counterfeit HELLO KITTY items at issue constituted
10 willful infringement and again demanding Defendants immediately cease and desist their
11 infringing activities. Also on or about August 18, 2006, Sanrio sent a third DMCA take-down
12 notice to Yahoo!.

13 34. On or around August 19, 2006, Sanrio, through its counsel, received an email
14 response from Defendant Torri Torres on behalf of Defendant Posh.Life, again indicating that
15 Defendants no longer offered for sale infringing and/or counterfeit HELLO KITTY items and
16 asserting that Defendants' intention was to remove all unauthorized images of the infringing
17 and/or counterfeit HELLO KITTY items.

18 35. On or about August 23, 2006, Yahoo! responded to the third DMCA take-down
19 notice with another form email message stating that appropriate action had been taken.

20 36. In or around September 2006, Sanrio determined that Posh.Life was offering at
21 least seven (7) infringing and/or counterfeit HELLO KITTY items and/or related customization
22 services, including Hello Kitty Cingular 8125 Pocket PC, Apple iPod Nano Swarovski Crystal
23 Case (customizable with HELLO KITTY design); Swarovski Crystal Apple iPod Case
24 (customizable with HELLO KITTY design); Swarovski Crystal Sidekick (customizable with
25 HELLO KITTY design); Swarovski Crystal Business Card or Credit Card Case (customizable
26 with HELLO KITTY design); and Swarovski Crystal Cigarette Case (customizable with HELLO
27 KITTY design), all ranging in price between \$165.00 and \$650.00. Copies of representative
28

1 screen-shots from the Posh.Life website from September 2006 comprise Exhibit 9.

2 37. In or around mid-September 2006, Sanrio attempted to make a purchase of
3 representative samples of the infringing and/or counterfeit HELLO KITTY items displayed and
4 offered through the Posh.Life website.

5 38. On or about September 18, 2006, Sanrio's representative received an email
6 response from Defendant Torri Torres on behalf of Defendant Posh.Life, indicating that
7 Posh.Life was not permitted to make HELLO KITTY items and that such items should have been
8 removed from the Posh.Life websites.

9 39. Sanrio continued to monitor the Posh.Life websites through the end of September
10 2006 and determined that Defendants had seemingly ceased their infringing activities.

11 40. In or around June 2007, Sanrio became aware that Posh.Life was again displaying
12 and apparently offering for sale various counterfeit HELLO KITTY items. To date such items
13 include cell phone covers/ face plates; iPod cases; personal digital assistant ("PDA") covers/ face
14 plates (e.g., sidekicks); compact mirrors; cosmetic cases; business card cases; cigarette cases; cell
15 phones; perfume/cologne bottles; cameras; computer mice; baby shoes; baby pacifiers; baby
16 grooming sets; baby bottles; spoons; hair brushes; flip flops/sandals; key fobs; baby nail clippers;
17 car license plate covers, and customization crystal decoration services for such goods. Copies of
18 representative recent screen-shots from the Posh.Life websites comprise Exhibit 10.

19 41. In or around August 2007, Sanrio confirmed that Defendants are continuing to sell
20 and ship counterfeit HELLO KITTY items via online orders placed through their websites,
21 including to purchasers within the Northern District of California. Sanrio also determined that the
22 Posh.Life websites were apparently being hosted by different ISP's.

23 42. On or about September 6, 2007, Sanrio, through its counsel, sent DMCA take-
24 down notices to two ISP's which, as best it could determine, were hosting the Posh.Life websites.
25 On that same day, one of the ISP's, GoDaddy.com, responded that it was not hosting the sites.
26 On September 12, 2007, the other ISP, Websitedynamics.com, responded that it had notified
27 their customer and she had removed the disputed images from
28

1 <www.poshlifebling.exactwebsites.com>. However, at least one image of a HELLO KITTY item
2 remains on Defendants' Posh.Life websites. A screen-shot from the current Posh.Life websites
3 showing this image comprises Exhibit 11.

4 43. On or about September 14, 2007, Sanrio discovered that Defendants have been
5 displaying an image of a counterfeit HELLO KITTY item as the signature image on their blog at
6 <www.poshlifebeauty.bravejournal.com>, apparently since at least January 11, 2007. The text of
7 said blog includes the statement "After that, I designed my Hello Kitty phone. Tthe [sic] only
8 time I change it is when I buy a new phone - and guess what design goes right back on it . . ."
9 The blog includes a link to the Posh.Life websites. Copies of current and archived entries on
10 Defendants' blog comprise Exhibit 12.

11 44. On or about September 14, 2007, Sanrio also discovered that Defendants are
12 displaying images of their counterfeit HELLO KITTY items on the online auction sites eBay and
13 iOffer. Copies of representative screen-shots from these sites comprise Exhibit 13.

14 45. On or about September 14, 2007, Sanrio, through its counsel, sent DMCA take-
15 down notices to the ISP which, as best it could determine, hosts Defendants' blog, and to the
16 auction sites. To date, the infringing images appear to have been removed from those third-party
17 sites.

18 46. Defendants are continuing and likely to expand unauthorized use of Sanrio's
19 HELLO KITTY Name and Design marks on their own websites and third-party sites, and, unless
20 restrained by this court, will continue to unfairly compete with Sanrio by displaying, marketing
21 and selling counterfeit HELLO KITTY products.

22 FIRST CLAIM FOR RELIEF

23 Counterfeiting and Infringement of Federally Registered Trademarks 24 Under 15 U.S.C. §1114 et seq.

25 47. Sanrio restates and reavers the allegations of paragraphs 1 through 46, inclusive.

26 48. The incontestable U.S. registered trademarks, namely, the face of HELLO KITTY
27 design mark and the word mark HELLO KITTY, (the "Registered Trademarks") as described
28 above, have been extensively used, advertised, and promoted through the United States and the

1 world in connection with the Sanrio character products as identified above.

2 49. The Registered Marks are inherently distinctive. Moreover, they are conclusively
3 distinctive because the registrations are incontestable. As a result of Sanrio's use, advertisement
4 and promotion of Sanrio's Registered Trademarks, each of these trademarks have become well
5 and favorably known throughout the United States and the world as identifying Sanrio and its
6 products. Sanrio has developed exceedingly valuable goodwill with respect to all of its
7 Registered Trademarks.

8 50. Upon information and belief, Defendants have knowingly, willfully and
9 intentionally created, imported, advertised, promoted, displayed, offered for sale and/or sold
10 infringing counterfeit products bearing identical, nearly identical and/or confusingly similar
11 copies of Sanrio's Registered Trademarks, including without limitation the HELLO KITTY
12 Name mark; and identical and/or nearly identical copies of the HELLO KITTY Design mark, as
13 identified above and depicted in Exhibits 7 through 13 hereto (the "Counterfeit Trademarks").

14 51. Defendants' use of each of the Counterfeit Trademarks on its products is likely to
15 cause members of the relevant public and trade to believe that Defendants' products are provided
16 by or in affiliation with or under the sponsorship or approval of Sanrio when used in connection
17 with the identical, substantially similar, or related goods.

18 52. Upon information and belief, Defendants willfully selected, adopted and/or used
19 the Counterfeit Trademarks on their goods with knowledge of the valuable goodwill and business
20 reputation associated therewith, and with intent to confuse, mislead, and deceive the public into
21 believing Defendants' goods come from Sanrio or are in some manner associated with, approved
22 or endorsed by Sanrio.

23 53. Upon information and belief, unless restrained by this Court, Defendants will
24 continue to infringe Sanrio's Registered Trademarks by using the Counterfeit Trademarks on
25 Defendants' goods.

26 54. By their wrongful acts, Defendants, unless restrained by this Court, will cause
27 serious and irreparable harm to Sanrio.

1 55. As a direct and proximate result thereof, Sanrio has been and continues to be
2 damaged in an amount to be ascertained, but believed to be at least \$150,000.

3 56. Sanrio has no adequate remedy at law.

4 57. Defendants' conduct constitutes an exceptional case justifying an award of
5 attorneys' fees pursuant to 15 U.S.C. § 1117(a).

6 **SECOND CLAIM FOR RELIEF**

7 **Federal Copyright Infringement Under 17 U.S.C. §101 et seq.**

8 58. Sanrio restates and reavers the allegations of paragraphs 1 through 57, inclusive.

9 59. Since their introduction, artwork comprising Sanrio's copyrighted HELLO
10 KITTY character designs (the "Copyrighted Designs") has been published in catalogs and
11 promotional materials, and printed on or embodied by Sanrio character products and packaging,
12 millions of which have been distributed worldwide and in the United States.

13 60. At all times relevant hereto, all or substantially all copies of Sanrio's Copyrighted
14 Designs made by Sanrio or under its authority or license in the United States and elsewhere have
15 been manufactured in strict conformity with the Copyright Act of the United States and all other
16 laws governing copyright in the areas where the items have been published.

17 61. At all times relevant hereto, all or substantially all of Sanrio's genuine products
18 bearing the Copyrighted Designs have been marked with copyright notices claiming copyright in
19 Sanrio's name.

20 62. Sanrio's Copyrighted Designs constitute original artwork created by Sanrio.

21 63. Sanrio's original Copyrighted Designs affixed on or comprising Sanrio's character
22 products represent copyrightable subject matter under the laws of the United States.

23 64. At all times relevant herein, Sanrio has been and still is the owner of the
24 copyrights in and to the Copyrighted Designs. Sanrio has conveyed no copyright interest in the
25 Copyrighted Designs to Defendants.

26 65. On information and belief, Defendants had access to Sanrio's Copyrighted
27 Designs, which are extensively marketed worldwide, including on Sanrio's website,
28

1 <www.sanrio.com>.

2 66. The Counterfeit Items imported, displayed, marketed and/or sold by Defendants,
3 as identified above and depicted in Exhibits 7 through 13 hereto, bearing identical or strikingly
4 similar copies of Sanrio's character artwork known as HELLO KITTY, constitute willful and
5 unauthorized distribution, copying and misappropriation of substantial or entire portions of the
6 designs contained in, and original to, Sanrio's Copyrighted Designs.

7 67. Upon information and belief, Defendants intentionally and willfully
8 manufactured, displayed, marketed, sold and/or distributed products bearing copies of Sanrio's
9 Copyrighted Designs and/or copied such design, without authority of Plaintiffs or their agents.

10 68. As a direct and proximate result thereof, Sanrio has been and continues to be
11 damaged in an amount to be ascertained, but believed to be at least \$150,000.

12 69. Sanrio has no adequate remedy at law.

13 **THIRD CLAIM FOR RELIEF**

14 **Federal Unfair Competition and Common Law Trademark Infringement**
15 **Under 15 U.S.C. § 1125(a)**

16 70. Sanrio restates and reavers the allegations of Paragraphs 1 through 69, inclusive.

17 71. Sanrio's common law word and design marks, namely, the name and image of
18 HELLO KITTY (the "Common Law Trademarks"), are inherently distinctive. Moreover, as
19 described above, the Common Law Trademarks have been extensively used, advertised, and
20 promoted through the United States, and the world for over thirty (30) years in connection with
21 Sanrio's products.

22 72. As a result of Sanrio's use, advertisement, and promotion of Sanrio's Common
23 Law Trademarks, each of these trademarks have become well and favorably known throughout
24 the United States and world as identifying Sanrio and its products. Sanrio has developed
25 exceedingly valuable goodwill with respect to all of its Common Law Trademarks.

26 73. Upon information and belief, Defendants have imported, advertised, promoted,
27 displayed, offered for sale, and/or sold infringing products bearing identical, or nearly identical
28 copies of Sanrio's Common Law Trademarks, as identified above and depicted in Exhibits 7

1 through 13 hereto (the "Counterfeit Trademarks").

2 74. Defendants' use of each of the Counterfeit Trademarks is likely to cause members
3 of the relevant public and trade to believe that the products sold bearing the Counterfeit
4 Trademarks are provided by or in affiliation with or under the sponsorship or approval of Sanrio
5 in light of the confusing similarity between the Counterfeit Trademarks and Sanrio's genuine
6 Common Law Trademarks when used in connection with the identical, substantially similar, or
7 related goods.

8 75. Upon information and belief, Defendants selected, adopted and/or used the
9 Counterfeit Trademarks with knowledge of Sanrio's Common Law Trademarks, and the valuable
10 goodwill and business reputation associated therewith and with intent to confuse, mislead, and
11 deceive the public into believing Defendants' goods come from Sanrio or are in some manner
12 associated with, approved or endorsed by Sanrio.

13 76. Upon information and belief, unless restrained by this Court, Defendants will
14 continue to infringe Sanrio's genuine Common Law Trademarks by its use of the Counterfeit
15 Trademarks.

16 77. By their wrongful acts, Defendants, unless restrained by this Court, will cause
17 serious and irreparable harm to Sanrio.

18 78. As a direct and proximate result thereof, Sanrio has been and continues to be
19 damaged in an amount to be ascertained, but believed to be at least \$150,000.

20 79. Sanrio has no adequate remedy at law.

21 **FOURTH CLAIM FOR RELIEF**

22 **Unfair Competition Under Cal. Bus. & Prof. Code § 17200**

23 80. Sanrio restates and reavers the allegations of paragraphs 1 through 79, inclusive.

24 81. Defendants' above-averred actions constitute unlawful, unfair, and fraudulent
25 business practices and unfair, deceptive, misleading, and false advertising in violation of Cal.
26 Bus. & Prof. Code § 17200, *et seq.*

27 82. By their wrongful acts, Defendants, unless restrained by this Court, will cause
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1 serious and irreparable harm to Sanrio.

2 83. As a direct and proximate result thereof, Sanrio has been and continues to be
3 damaged in an amount to be ascertained, but believed to be at least \$150,000.

4 84. Sanrio has no adequate remedy at law.

5 WHEREFORE, Plaintiffs demand judgment against Defendants as follows:

6 1. That Defendants, Defendants' agents, employees, and licensees, and all persons or
7 entities in active concert or participation with any of them who receive notice of the Court's
8 Order, be preliminarily and permanently enjoined from:

9 A. Manufacturing, causing to be manufactured, importing, marketing,
10 promoting, displaying, advertising, distributing, selling, and/or otherwise disposing of any
11 products that incorporate, reflect, or contain any unauthorized use of Sanrio's Copyrighted
12 Designs, Registered Trademarks, and/or Common Law Trademarks, and/or infringing said
13 trademarks and copyrights in any manner;

14 B. Otherwise infringing any of Plaintiffs' copyrights or trademarks;

15 C. Otherwise competing unfairly with Plaintiffs.

16 2. That Defendants, their agents, employees, and licensees, and all those acting
17 under its direction and pursuant to its control, be directed to deliver up for destruction all
18 infringing and/or counterfeit products, and other matter employed in the manufacture,
19 distribution and sale of such infringing and/or counterfeiting products.

20 3. That Defendants be required to pay Sanrio:

21 A. Any and all profits made by Defendants as a result of the aforesaid
22 infringements, together with interest thereupon in an amount presently unknown;

23 B. Sanrio's damages in an amount presently unknown but believed to be at
24 least \$150,000, together with interest;

25 C. Statutory damages in an amount not more than \$1,000,000 per counterfeit
26 mark, as provided under and pursuant to 15 U.S.C. §1117(c);

27 D. Three times the profits and damages pursuant to 15 U.S.C. § 1117(b); and
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1 E. Statutory damages in the amount of \$150,000 per copyright infringement,
2 the maximum allowable as provided under and pursuant to 17 U.S.C. § 504(c), as amended.

3 4. That Defendants be required to pay Sanrio the costs of this action, together with
4 Sanrio's reasonable attorneys' fees, under 17 U.S.C. 505 and 15 U.S.C. §1117(a).

5 6. That Plaintiff be awarded any other relief as this Court may deem appropriate to
6 prevent the public from deriving the erroneous impression that Defendants are associated or
7 connected with Sanrio or that any goods or services provided, promoted or sold by Defendants
8 are authorized by Sanrio or are related in any way to Sanrio or its goods or services.

9 7. That the Court award Sanrio such other and further relief as this Court shall deem
10 just and proper.

11 OWEN, WICKERSHAM & ERICKSON, P.C.

12
13 Dated: 9-27-07

14 By 
Noel M. Cook
Linda Joy Kattwinkel

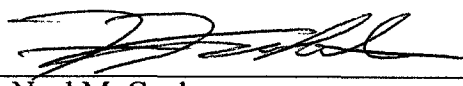
15 Attorneys For Plaintiff,
16 SANRIO COMPANY, LTD. and
17 SANRIO, INC.

18 **DEMAND FOR JURY TRIAL**

19 Plaintiffs hereby demand a jury trial of all issues in the above-captioned action which are
20 triable to a jury.

21 OWEN, WICKERSHAM & ERICKSON, P.C.

22
23 Dated: 9-27-07

24 By 
Noel M. Cook
Linda Joy Kattwinkel

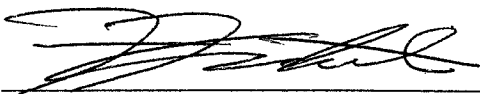
25 Attorneys For Plaintiff,
26 SANRIO COMPANY, LTD. and
27 SANRIO, INC.

CERTIFICATION RE INTERESTED PARTIES OR PERSONS

Pursuant to Civil L.R. 3-16, the undersigned certifies that as of this date, other than the named parties, there is no such interest to report.

OWEN, WICKERSHAM & ERICKSON, P.C.

Dated: 9-27-07

By 

Noel M. Cook
Linda Joy Kattwinkel

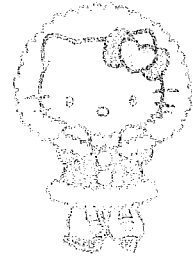
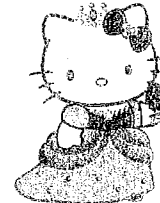
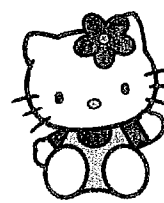
Attorneys For Plaintiff,
SANRIO COMPANY, LTD. and
SANRIO, INC.

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EXHIBIT 1

Hello Kitty®

© 1976, 2005 SANRIO CO., LTD.



Little Twin Stars

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Dear Daniel

© 1999, 2005 SANRIO CO., LTD.



MY MELODY

© 1976, 2005 SANRIO CO., LTD.



KEROPI

© 1988, 2005 SANRIO CO., LTD.



minna no tabo

© 1984, 2005 SANRIO CO., LTD.



Badtz-Maru

© 1993, 2005 SANRIO CO., LTD.



PEKKE

© 1989, 2005 SANRIO CO., LTD.



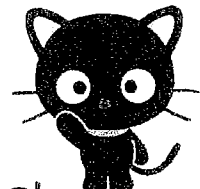
CHARMMY-KITTY

© 2004, 2005 SANRIO CO., LTD.



Chi-Chai Monstar

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Chococat

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cinnamoroll

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TUXEDO SAM

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Chibimaru

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FRODO THE MEW

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Pochacco

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Deery-Lou

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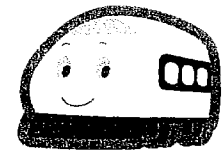
SWEETCORON

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U-SĀ-HĀ-NĀ

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SHINKANSEN

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sugarbunnies

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PANDAPLE

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